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all to whom these presents shall come, Greeting:

By virtue of the authority vested in me by the Administrator of General Services, I
certify on his behalf under the seal of the National Archives of the United States, that
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SIGNATURE <i>Milton O. Gustafson</i>	
NAME MILTON O. GUSTAFSON	DATE 6-19-89
TITLE Chief, Civil Reference Branch	
NAME AND ADDRESS OF DEPARTMENT The National Archives Washington, D. C. 20408	

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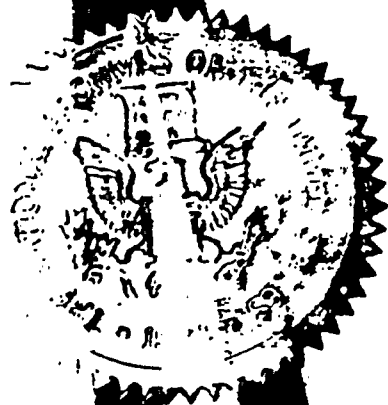


Exhibit "A" referred to in the foregoing form of Agreement is attached to and a part of the copies of such Agreement to be executed, one of such executed copies to be retained in the files of this Company.

The Executive Committee authorized Mr. Klossner, or a Vice President, to execute on behalf of this Company an Agreement in the following form between Rubber Reserve Company and The Dow Chemical Company, and authorized the Secretary, or Assistant Secretary, to affix the seal thereto and attest the same:

"THIS CONTRACT, made and entered into this _____ day of _____, 1942, by and between RUBBER RESERVE COMPANY (hereinafter called 'Reserve'), a corporation created by Reconstruction Finance Corporation pursuant to Section 5d of the Reconstruction Finance Corporation Act, as amended (said Section being hereinafter called 'Section 5d'), and having an office for the transaction of business in Washington, D. C., party of the first part, and THE DOW CHEMICAL COMPANY (hereinafter called 'Contractor'), a corporation organized and doing business under the laws of the State of Michigan, qualified to do business within the State of California, and having an office at Midland, Michigan, party of the second part;

W I T N E S S E T H:

WHEREAS, in order to aid the Government of the United States (hereinafter sometimes called the 'Government') in its National Defense Program, Reconstruction Finance Corporation is authorized by Section 5d to create corporations with certain enumerated powers including the power to produce strategic and critical materials as defined by the President; and

WHEREAS, by his letter addressed to the Federal Loan Administrator, dated June 28, 1940, the President has defined as strategic and critical materials within the meaning of Section 5d those materials contained in the list of strategic and critical materials of the Army and Navy Munitions Board, revised and approved January 30, 1940, as well as such other materials as might thereafter be added to such list; and

WHEREAS, by its letter addressed to Reconstruction Finance Corporation, dated October 7, 1940, the Army and Navy Munitions Board has set forth certain commodities approved by said Board as strategic and critical materials and has included rubber among such commodities; and

WHEREAS, Reserve has been authorized and empowered in its charter to perform all acts and transact all business which is permitted legally to be performed or transacted in connection with the producing, processing, manufacturing and marketing of rubber and its related materials and substances; and

WHEREAS, the production of synthetic rubber of the Butadiene-Styrene Copolymer type suitable for the production of tires and tubes (said rubber to be hereinafter called 'Synthetic Rubber') and the expansion of capacity within the United States for such production are important in the interest of the Government's National Defense Program; and

WHEREAS, styrene is one of the raw materials used in the manufacture of Synthetic Rubber; and

WHEREAS, Defense Plant Corporation, a corporation likewise created by Reconstruction Finance Corporation, pursuant to authority contained in Section 5d, has entered into a certain agreement with Contractor, dated May 1, 1942, as amended (hereinafter called the 'Lease Contract'), under the terms of which Contractor, as agent for Defense Plant Corporation and for the account and at the expense of Defense Plant Corporation, has agreed to design, construct and equip, or cause to be designed, constructed and equipped, a plant for the production of styrene (said plant and all machinery and equipment therein being hereinafter called the 'Plant'), the Plant to be located on a site to be acquired and owned by Defense Plant Corporation at or near Los Angeles, California, and designed to have an annual capacity of approximately twenty-five thousand (25,000) short tons (a short ton comprising two thousand (2,000) pounds) of styrene; and

WHEREAS, under the terms of the Lease Contract, Contractor has further agreed to become lessee of the Plant from Defense Plant Corporation, lessor, for a term ending five (5) years after completion of the Plant and all the units of the Plant are ready for operation, as provided in Paragraph EIGHT of the Lease Contract;

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants hereinafter set forth and in further

consideration of the execution of the Lease Contract by Defense Plant Corporation with Contractor, the parties hereto mutually agree as follows:

Section 1. From and after the date of this contract and concurrently with the design and construction of the Plant, Contractor, for Reserve and for the account and at the expense and risk of Reserve, shall undertake all preparations necessary for the subsequent operation of the Plant for the production of styrene of a grade and quality meeting the specifications as set forth in Exhibit 'A' attached hereto and made a part hereof (said specifications and any amendments thereof, effected pursuant to Section 18 hereof, being hereinafter called 'Contract Specifications' and said styrene produced in the Plant meeting Contract Specifications or which Reserve may elect to accept although not meeting Contract Specifications, being hereinafter called 'STYRENE'), including but not limited to the training of personnel; the testing and operation of the Plant or portions thereof, prior to the final completion of the Plant; and, with the approval of Reserve, the erection and operation of pilot plants, if any, for experimental purposes, and the conducting of testing, research, laboratory, experimental and developmental work in connection with the process or processes for the manufacture of STYRENE.

Section 2. Contractor shall notify Reserve in writing on the date at which the first unit of the Plant is ready for operation and thereupon and during the remaining term of this contract, Contractor shall use its best efforts to produce in the Plant for Reserve and for the account and at the expense and risk of Reserve, such quantities of STYRENE as Reserve shall request pursuant to the provisions of Section 9 hereof. Contractor shall further notify Reserve in writing on the date at which, in Contractor's opinion, the Plant is capable of producing STYRENE at the rate of at least twenty-five thousand (25,000) short tons per year, its rated capacity. For the purposes of this contract the term 'Commitment Year' shall mean each of the several consecutive fiscal periods of twelve (12) months (or part thereof in the event of the cancellation or expiration of this contract prior to the end of any such period), the first such period commencing with a date nine (9) months after the completion of the 'Construction Program' (as defined in the Lease Contract) or upon said date upon which Contractor shall notify Reserve that the Plant is capable of producing STYRENE at its rated capacity, whichever is the earlier.

It is expressly understood that all persons managing and operating the Plant or engaged in the performance of this

contract by Contractor, shall be employed or retained by Contractor and shall not be employees of Reserve for any purpose whatsoever.

Section 3. Reserve shall reimburse Contractor for Contractor's costs hereunder, as herein defined, and shall pay to Contractor the overhead and management charge hereinafter specified in Section 5 hereof.

For the purposes of this contract, Contractor's costs hereunder shall include all costs which have been incurred by Contractor since March 18, 1942, and which have been incurred in anticipation of this contract and prior to the execution hereof and which, if incurred after the execution of this contract, would have been considered as allowable items of costs within the meaning of this contract and all costs and expenses of whatsoever kind or character incurred by Contractor in connection with the occupancy, management, operation, repair and maintenance of the Plant and the manufacture and production of STYRENE, including, but without limitation, the following:

(a) All salaries and wages, whether full-time or part-time, and including compensation for overtime, for work performed at the Plant or elsewhere, both in connection with preparations necessary for the operation of the Plant and in connection with the management, operation, occupancy, repair or maintenance of the Plant; all salaries and fees for services of technical, consultant-engineering or other professional experts, whether performed on or off the Plant-site and whether on a full-time or part-time basis; all extra compensation paid to employees engaged in the operation of the Plant and all discontinuance wages paid to such employees; the amount directly chargeable to Contractor for all group insurance, retirement-income plan, and all other welfare and employee-relation plans maintained by Contractor for the benefit of employees engaged in the operation of the Plant; and an equitably proportionate share, in connection with the operation of the Plant, of Contractor's cost of all welfare and other employee-relation plans maintained by Contractor for the benefit of its employees generally.

It is understood that in the event the full time of any employee of Contractor is not applied in connection with the operation of the Plant, the wages or salary of such employee shall be included herein only in proportion to the actual time applied in connection with the operation of the Plant. It is

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further understood that the payment of any extra compensation or discontinuance wages and any expenditures, pursuant to the maintenance of welfare or other plans for the benefit of employees of Contractor, shall be included herein only in so far as the payments or expenditures are consistent with Contractor's general employee-relation policies throughout its organization, or are incurred pursuant to an agreement made as a result of collective bargaining with representatives of Contractor's employees, or are expressly authorized in writing by Reserve, it being intended that employees of Contractor in the Plant shall be treated no less favorably than other employees of Contractor whose services are not used in the performance of this contract.

(b) The cost of all facilities, machinery, tools, dies, jigs, office equipment, supplies, manufacturing aids, alterations, improvements, replacements, and additions to the manufacturing buildings or equipment facilities connected therewith, required for the efficient operation of the Plant and for which Contractor is not reimbursed under the Lease Contract, or otherwise; and the cost of all maintenance and repairs, including the cost of replacing, repairing or reconditioning any of the machinery or equipment comprising the Plant, damaged or destroyed, but only to the extent that the damage to or destruction of said machinery or equipment is not covered by insurance and only to the extent that the replacing, repairing or reconditioning is necessary to the efficient operation of the Plant.

It is hereby understood that title to any and all property of whatever character, the cost of which is paid by Reserve, pursuant to this subsection (b) of this Section 3, shall vest directly in Reserve or Defense Plant Corporation, as the respective interests of each may appear, and that title to such property shall in no event vest in Contractor.

It is further understood that the cost of repairs, if performed in repair shops maintained by Contractor, shall include an appropriate charge to reimburse Contractor for overhead expense incurred by Contractor in maintaining such repair shops.

(c) The amount of all taxes, licenses, fees or other charges levied by any competent governmental authority on the property covered by the Lease Contract, or for the privilege of operating the Plant, or on the product manufactured therein, or on any materials or supplies, including the amount of any payments made by Contractor under the Social Security Act (employer's

contribution) and any applicable Federal, state or local taxes, assessments or charges (excluding any taxes on net income and any excess-profits taxes) which Contractor may be required to pay and which are incurred in connection with the operation of the Plant, and including the amount of any additional taxes or contributions required to be paid by Contractor at any time during the performance of this contract or within five (5) years thereafter pursuant to the Unemployment Compensation Act of any state and arising out of the layoff or discharge of persons on account of the intermittent operation of the Plant or termination or completion of this contract.

(d) The amount of all premiums or other costs of any bonds or insurance, including public liability, employers' liability, property damage, workmen's compensation, fidelity, fire, theft, burglary or other insurance carried by Contractor in connection with the operation of the Plant or otherwise in the performance of this contract, including such insurance as is required to be carried under the terms of the Lease Contract, but such amount shall be exclusive of any premiums provided for under the Lease Contract and chargeable to the 'Construction Program,' as therein defined. In the event Reserve and Contractor shall agree that Contractor shall cover workmen's compensation risks on a self-insurance basis, such arrangements shall be effectuated in a manner mutually satisfactory to the parties hereto.

(e) The amount, if any, paid by Contractor (including all direct expenses incident thereto) for any injury to or death of a person or persons, or any damage to or destruction of materials or other property, the liability for which is incurred by Contractor during the term of this contract, and arising through the occupancy of the Plant, or through the performance of this contract, or through the performance of the Lease Contract, but only to the extent that (1) Contractor is legally liable therefor as determined by a court of competent and final jurisdiction or pursuant to a settlement made with the express approval of Reserve and Contractor is actually out-of-pocket therefor without indemnity of any kind through insurance coverage or otherwise, (2) Contractor has not failed to carry proper insurance coverage acceptable to Reserve, and (3) an officer of Contractor, or any representative of Contractor having supervision and direction of the Plant as a whole, acting within the scope of his authority and employment has not been guilty of bad faith or wilful misconduct.

(f) The cost of all power, water, steam, fuel, compressed air, telephone and telegraph services and other utilities and services.

(g) The cost of operating any pilot plants in connection with the process or processes used or intended to be used by Contractor in the production of STYRENE in the Plant, including the cost of all materials used or consumed in such experimental operation, provided, however, that such cost shall be included only to the extent approved in advance by Reserve in accordance with arrangements to be mutually satisfactory to Reserve and Contractor.

(h) The cost of conducting all testing involved in Contractor's operation of the Plant including the testing of the finished product to be delivered to Reserve and the testing of raw materials.

(i) The cost of conducting all research, experimental, laboratory and developmental work, including all costs under contracts or subcontracts for technical services or consultant advice, in connection with the process or processes used or intended to be used by Contractor in the manufacture of STYRENE in the Plant, provided, however, that such cost shall be included only to the extent approved in advance by Reserve in accordance with arrangements to be mutually satisfactory to Reserve and Contractor.

(j) The amount of all accounting expense arising in connection with this contract, including the cost of any audits required by Reserve, and expenses of any kind whatsoever incurred in connection with the termination of this contract or the Lease Contract.

(k) The cost of training of personnel required for the operation of the Plant, including expenses incurred in the procurement of suitable labor therefor and including any moving expenses of such personnel, provided that such expenses conform to and do not exceed expenses of the same kind assumed by Contractor in the normal conduct of its business.

(l) The cost of all materials and supplies, necessary for the manufacture of STYRENE hereunder, including the cost of all transportation charges incurred by Contractor with respect to such materials and supplies.

(m) The amount of any expenses incurred in the performance of this contract in connection with travelling and sustenance, provided that such allowances conform to and do not exceed the ordinary allowances authorized by Contractor for its employees in the normal conduct of its business.

(n) The cost of disposing of all waste solids, liquids and gases resulting from manufacturing operations at the Plant and the cost of disposing of worn-out or obsolete equipment, junk and debris.

(o) The amount of any costs of the character described in this contract which may be incurred during any period within the term of this contract in which operation of the Plant is suspended and also all costs incurred in placing the Plant in stand-by or operating condition.

(p) All expenses, losses and liabilities incurred, or for which Contractor is obligated to Defense Plant Corporation, under the Lease Contract and for which Contractor is not reimbursed by Defense Plant Corporation under the Lease Contract, provided that such expenses, losses or liabilities are not due to the bad faith or wilful misconduct of an officer of Contractor or any representative of Contractor having supervision and direction of the Plant as a whole.

(q) The amount expended in retreating or reprocessing styrene delivered to Reserve and found to be unsatisfactory for the manufacture of Synthetic Rubber.

(r) An amount covering patent royalties equal to one-eighth of a cent (0.125¢) per pound of STYRENE delivered to Reserve hereunder. It is hereby understood that there shall not be included as a part of Contractor's costs under this Section 3 any additional amounts covering royalties as such in connection with the operation of the Plant or the manufacture and production of STYRENE for Reserve hereunder. Moreover, in the event of any claim or any legal suit or action for infringement of patent rights brought by any party whatsoever based upon Contractor's operation of the Plant and the manufacture and production of STYRENE for Reserve hereunder, Contractor's expenses of defending or settling such claim, suit or action shall not be included as a part of said costs; provided, however, that there may be included as a part of said costs an amount covering damages resulting from any such claim, suit or action and assessed pursuant to a decree or judgment of a court of competent and final jurisdiction, or an amount covering a settlement of any such claim, suit or action made with the express approval of Reserve, but only to the extent that the amount of such damages or settlement is properly attributable to Contractor's operation of the Plant and manufacture and production of STYRENE for Reserve hereunder (as distinguished from any other operations of Contractor involved in such claim, suit or action),

and only after deduction therefrom of the amount of all royalties theretofore paid (or then payable) by Reserve to Contractor hereunder and either retained (or retainable) by Contractor or recoverable from other persons.

From the 'costs' as hereinabove defined there shall be deducted all credits arising from Contractor's operations, including but not limited to credits from the sale to others, with Reserve's approval, of (a) all styrene not acceptable to Reserve and (b) all by-products resulting from the production of STYRENE.

Section 4. The determination of the items of cost, as defined herein, shall be in accordance with Contractor's established accounting methods. Such accounting methods shall be subject to approval by Reserve, but no material change shall be made therein if they conform to good accounting practice and if the costs are readily ascertainable therefrom. Contractor shall maintain a complete separate system of accounts for the work under this contract. All accounting records pertaining to the performance of this contract shall be subject to inspection and audit during business hours by any authorized representative of Reserve, but all information obtained therefrom shall be held in confidence. Within six (6) months after the close of each six (6) months' period of this contract, Reserve will examine such books and records and within such six (6) months will advise Contractor in writing of any disagreement which it finds with any item of cost as determined by Contractor for the period under review, or thereafter will not disagree with such costs. In the event that the parties hereto fail to agree on the inclusion of any item of cost, as defined herein, such question shall be submitted for determination to an independent certified public accountant, approved by both parties, who shall be given access to this contract and to the applicable records and whose decision shall be conclusive upon both parties. In the event of inability of the parties hereto to agree upon the selection of such certified public accountant, either party may request the Secretary of the American Institute of Accountants to designate an independent certified public accountant, and the designation so made shall be accepted by both parties. The expense of any such submission shall be borne by the party whose contention is not sustained, or if the contention of neither party is wholly sustained, such expense shall be borne by either party, or by both parties in proportionate amounts, as shall be determined by said certified public accountant.

Section 5. For purposes of this Section 5, the term 'Operating Year' shall mean each of the several consecutive fiscal periods

of twelve (12) months (or part thereof in the event of the cancellation or expiration of this contract prior to the end of any such period), the first such period commencing upon the date of the first delivery of STYRENE to Reserve from the Plant or from either of two similar plants operated by Contractor for the manufacture of STYRENE for Reserve and located at Port Neches, Texas, and Gary, Indiana, respectively.

The overhead and management charge for the combined production of the Plant, and of the Port Neches and Gary plants, if the latter are in operation as aforesaid, shall be an amount equal to sixty-nine one hundredths of a cent (\$.0069) per pound for the first fifteen thousand (15,000) short tons of STYRENE produced in the three above-mentioned plants for Reserve in any one Operating Year; fifty-nine one hundredths of a cent (\$.0059) per pound for the next five thousand (5,000) short tons in the same Operating Year; fifty-three one hundredths of a cent (\$.0053) per pound for the next five thousand (5,000) short tons in the same Operating Year; forty-seven one hundredths of a cent (\$.0047) per pound for the next five thousand (5,000) short tons in the same Operating Year; forty-three one hundredths of a cent (\$.0043) per pound for the next five thousand (5,000) short tons in the same Operating Year; thirty-nine one hundredths of a cent (\$.0039) per pound for the next five thousand (5,000) short tons in the same Operating Year; thirty-six one hundredths of a cent (\$.0036) per pound for the next five thousand (5,000) short tons in the same Operating Year; and thirty-three one hundredths of a cent (\$.0033) per pound for each short ton produced in excess of forty-five thousand (45,000) short tons in the same Operating Year.

If, at the end of any Commitment Year, as defined in Section 2 hereof, Contractor shall have failed to produce and deliver to Reserve the amount of STYRENE which Reserve has requested Contractor to produce in the Plant during such Commitment Year in accordance with the provisions of Section 9 hereof (not exceeding twenty-five thousand (25,000) short tons), then in such contingency Contractor shall repay to Reserve out of the overhead and management fee received by Contractor from Reserve during such Commitment Year, an amount equal to the aggregate overhead and management charge paid by Reserve to Contractor under this Section 5 for production in the Plant during such Commitment Year, computed at the average rate per pound realized by Contractor under the above schedule of charges for the combined production of the Plant and of the aforesaid plants located at Port Neches, Texas, and Gary, Indiana, less the amount obtained

by multiplying said aggregate overhead and management charge by a fraction, the numerator of which shall be an amount equal to the number of short tons of STYRENE so produced in the Plant and delivered to Reserve during such Commitment Year and the denominator of which shall be an amount equal to the number of short tons of STYRENE requested by Reserve for production in the Plant during such Commitment Year pursuant to the provisions of Section 9 hereof, but not in excess of twenty-five thousand (25,000) short tons. With respect to the fractional part, if any, of the Commitment Year preceding the final expiration of the term of this contract, or with respect to the fractional part of the Commitment Year preceding any prior termination of this contract, if Contractor shall have failed to produce and deliver to Reserve the amount of STYRENE which Reserve has requested Contractor to produce in the Plant during such fractional part of such Commitment Year, pursuant to the provisions of Section 9 hereof (but not in excess of six thousand two hundred fifty (6,250) short tons for each calendar quarter), then the amount which Contractor shall repay to Reserve under this paragraph shall be in ratable proportion to such fractional part of the Commitment Year.

If the amount of the management and overhead charge for production of STYRENE in the Plant during any Commitment Year, when computed at the average rate per pound realized by Contractor under the above schedule of charges for the combined production of the Plant and the aforesaid plants located at Port Neches, Texas, and Gary, Indiana, during such Commitment Year, shall be less than Forty-eight Thousand Dollars (\$48,000), then Reserve shall pay the difference to Contractor.

If the said charge, similarly computed for any fractional part of a Commitment Year preceding the expiration or prior termination of this contract, is less than an amount in ratable proportion to said Forty-eight Thousand Dollars (\$48,000), Reserve shall likewise pay the difference to Contractor.

It is understood that said overhead and management charge shall be in lieu of a general office overhead and management charge and is intended to cover general office costs of and compensation for executive management and legal, medical, technical and other general services and facilities incident to the operation of the Plant which are not capable of being identified and charged directly to such operation. It is further understood that no salaries of Contractor's executive officers and no part of the expense of conducting Contractor's corporate offices shall be otherwise charged hereunder except those direct expenses such as

salaries of officers and fees of attorneys which are directly attributable to the operation of the Plant and which are properly chargeable as costs under Section 3 hereof.

It is understood that in connection with the operation of the Plant hereunder, Contractor will need a reasonable amount of working capital to meet Contractor's costs (as defined in Section 3 hereof) incurred prior to the receipt by Contractor of payment therefor as provided in Section 6 hereof. Accordingly, Reserve agrees that it will from time to time, as requested by Contractor, deposit in a special bank account (or accounts) to be established by Reserve in a commercial bank (or banks), such amounts as may then be requested by Contractor and approved by Reserve for such working capital purposes. All payments by Reserve to Contractor for 'costs,' as defined in Section 3 hereof, based upon itemized statements submitted to Reserve in accordance with Section 6 hereof, shall likewise be made by Reserve in the form of deposits in said special bank account (or accounts) and the remaining amount due under such itemized statements as an overhead and management charge, as specified in Section 5 hereof, shall be paid by Reserve directly to Contractor. The amounts so deposited in said special bank account (or accounts) shall be subject to withdrawal by Contractor only upon the approval and countersignature of a fiscal agent (who may be an officer of Contractor) to be appointed by Reserve for such purposes. The amount so withdrawn shall be used by Contractor only for the purpose of paying Contractor's costs (as defined in Section 3 hereof) in connection with the operation of the Plant hereunder and for no other purpose whatsoever, and the amount so withdrawn shall constitute payments (or advance payments) by Reserve on account of the amount due Contractor hereunder. If it shall appear at any time, based upon Contractor's accounting records or upon any inspection thereof by Reserve pursuant to Section 4 hereof, that the aggregate amount then on deposit in said special bank account (or accounts) is in excess of the amount required as working capital for the then current operations of Contractor hereunder, the amount of such excess shall be withdrawn by Contractor and repaid to Reserve. Upon the expiration or any prior termination of this contract, and upon the submission to Reserve by Contractor of the final itemized statement (or statements) hereunder, an accounting shall be made to the end that Contractor shall receive payment from Reserve of the amount of such final statement (or statements) either through withdrawals from said special bank account (or accounts) or through direct payment from Reserve, and any balance thereafter remaining in said special bank account (or accounts) shall be withdrawn by Contractor and promptly repaid

to Reserve. The amount of any later statements submitted by Contractor to Reserve pursuant to the provisions of Section 6 hereof, shall be paid directly by Reserve to Contractor.

Section 6. At monthly intervals during the term of this contract, Contractor shall render to Reserve an itemized statement covering so much of the costs defined herein as have been paid for by Contractor or which are directly owing to Contractor by Reserve to the date of such statement and for which reimbursement has not been received by Contractor from Reserve.

On or before the twentieth day of each calendar month during the term of this contract, Contractor shall render to Reserve an itemized statement of the amount of the overhead and management charge for the preceding calendar month.

Reserve shall pay to Contractor the amount of each monthly statement of costs, in the manner provided in Section 5 hereof, and the amount of each monthly statement covering overhead and management charge, within ten (10) days after receipt thereof. In the event of the failure of Contractor to receive any payment when due hereunder, Contractor may give Reserve written notice of such default and upon the failure of Reserve to make said payment within ten (10) days thereafter, Contractor may suspend performance thereunder pending receipt of said payment.

Any item of cost, as defined in Section 3 hereof, the liability for which is incurred by Contractor prior to the termination of this contract, but the settlement for which is not made until after the termination of this contract, shall be paid by Reserve to Contractor upon receipt of an itemized statement or statements from Contractor, provided such statement or statements are submitted to Reserve within five (5) years after the date of termination of this contract.

Section 7. Contractor shall use its best efforts to procure all materials necessary for the production of STYRENE at the Plant, but to the extent that Contractor is unable to obtain such materials, Reserve shall endeavor to obtain such materials and to make arrangements for delivery thereof to Contractor at the Plant. Title to all materials purchased by Contractor hereunder shall vest directly in Reserve. Subject to the availability of such materials and the capacity of the Plant, Contractor shall use its best efforts to produce such quantities of STYRENE as may be specified by Reserve, as hereinafter provided in Section 9 hereof, and Contractor shall deliver the same to Reserve, or its nominee, at the Plant into facilities to be furnished by Reserve.

Section 8. Nothing contained in this contract shall be construed to be in derogation of the 'Agreement on Exchange and Use of Technical Information Relating to STYRENE,' dated March 4, 1942, or any amendments thereof, to which agreement Contractor is a party and the terms and conditions of which Contractor hereby expressly ratifies.

Section 9. Beginning at the end of the calendar quarter during which the first unit of the Plant is ready for operation, the Plant shall be operated on a calendar quarterly basis, such quarters to begin on the first day of January, April, July and October, respectively, of each year. Reserve shall notify Contractor in writing, not less than six (6) weeks prior to the beginning of each calendar quarter, of the total amount of STYRENE which Reserve desires Contractor to produce at the Plant during such calendar quarter, which amount shall be manufactured as nearly as practicable in daily quantities of a uniform amount during such calendar quarter. Reserve shall take delivery of the STYRENE hereunder at the Plant, or provide storage therefor. If Reserve shall fail to give to Contractor the six (6) weeks' notice herein required prior to the commencement of any new quarterly period, production during such new quarterly period shall be at the same rate as in the immediately preceding quarterly period.

Section 10. Contractor shall maintain insurance of such character, and in such amounts, as may be required from time to time by Reserve, or by Defense Plant Corporation; and Contractor, with the approval of Reserve, may maintain other insurance comparable in character and amount to that customarily carried by Contractor in its other activities, taking into consideration the relative hazards involved.

Section 11. It is understood that in the performance of this contract Contractor shall in no event be liable for, but shall be held harmless by Reserve against, any damage to or loss or destruction of property (whether owned by Reserve, Defense Plant Corporation, or others) or any injury to or death of persons, in any manner, arising out of or in connection with the work hereunder, unless it be shown to have been caused directly by bad faith or wilful misconduct on the part of an officer of Contractor or any representative of Contractor having supervision and direction of the Plant as a whole, acting within the scope of his authority and employment, or unless it results from the failure of Contractor to carry such insurance coverage as Contractor may be required to carry under Section 10 hereof.

Section 12. On or before the twentieth day of each calendar

month during the term of this contract, commencing with the month in which the first STYRENE is produced in the Plant, Contractor shall render to Reserve a comprehensive Production Report, in form satisfactory to Reserve, reflecting the elements of operating costs for the preceding calendar month, together with actual tonnage of STYRENE produced during the preceding calendar month and showing both monthly figures and cumulative year-to-date figures on production and actual costs of production.

Section 13. All contracts which Contractor may execute in connection with the operation of the Plant which run for a period of six (6) months or more, or which represent an obligation on the part of Contractor in an aggregate sum of Five Thousand Dollars (\$5,000) or more, shall be first submitted to Reserve for approval prior to execution. All arrangements or agreements, pursuant to which Contractor may itself furnish supplies or services to the operation of the Plant, shall be first submitted to Reserve for approval prior to execution.

Section 14. In so far as the Act of June 30, 1936 (49 Stat. 2036; U. S. Code, Title 41, Secs. 35-45) (Walsh-Healey Act) is applicable and continues in effect, the following representations and stipulations made pursuant thereto form a part of the requirements and conditions of this contract; it being understood that in the event of any amendments to or modifications of said Act the said representations and stipulations shall be amended or modified accordingly:

(a) Contractor is the manufacturer of or a regular dealer in the materials, supplies, articles, or equipment to be manufactured or used in the performance of this contract.

(b) All persons employed by Contractor in the manufacture or furnishing of the materials, supplies, articles, or equipment used in the performance of this contract will be paid, without subsequent deduction or rebate on any account, not less than the minimum wages as determined by the Secretary of Labor to be the prevailing minimum wages for persons employed on similar work or in the particular or similar industries or groups of industries currently operating in the locality in which the materials, supplies, articles, or equipment are to be manufactured or furnished under this contract; Provided, however, That this stipulation with respect to minimum wages shall apply only to purchases or contracts relating to such industries as have been the subject matter of a determination by the Secretary of Labor.

(c) No person employed by Contractor in the manufacture or furnishing of the materials, supplies, articles, or equipment used in the performance of this contract shall be permitted to work in excess of eight (8) hours in any one (1) day or in excess of forty (40) hours in any one (1) week, unless such person is paid such applicable overtime rate as has been set by the Secretary of Labor.

(d) No male person under sixteen (16) years of age and no female person under eighteen (18) years of age and no convict labor will be employed by Contractor in the manufacture or production or furnishing of any of the materials, supplies, articles, or equipment included in this contract.

(e) No part of this contract will be performed nor will any of the materials, supplies, articles, or equipment to be manufactured or furnished under this contract be manufactured or fabricated in any plants, factories, buildings, or surroundings or under working conditions which are insanitary or hazardous or dangerous to the health and safety of employees engaged in the performance of this contract. Compliance with the safety, sanitary, and factory inspection laws of the State in which the work or part thereof is to be performed shall be prima facie evidence of compliance with this subsection (e).

(f) Any breach or violation of any of the foregoing representations and stipulations shall render the party responsible therefor liable to the United States of America for liquidated damages, in addition to damages for any other breach of this contract, in the sum of Ten Dollars (\$10) per day for each male person under sixteen (16) years of age or each female person under eighteen (18) years of age, or each convict laborer knowingly employed in the performance of this contract, and a sum equal to the amount of any deductions, rebates, refunds, or underpayment of wages due to any employee engaged in the performance of this contract; and, in addition, the agency of the United States entering into this contract shall have the right to cancel same and to make open-market purchases or enter into other contracts for the completion of the original contract, charging any additional cost to the original contractor. Any sums of money due to the United States of America by reason of any violation of any of the representations and stipulations of this contract as set forth herein may be withheld from any amounts due on this contract or may be recovered in a suit brought in the name of the United States of America by the Attorney General thereof. All sums withheld or recovered

as deductions, rebates, refunds, or underpayments of wages shall be held in a special deposit account and shall be paid, on order of the Secretary of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth in such contracts and on whose account such sums were withheld or recovered: Provided, That no claims by employees for such payments shall be entertained unless made within one (1) year from the date of actual notice to Contractor of the withholding or recovery of such sums by the United States of America.

(g) Contractor shall post a copy of the stipulations in a prominent and readily accessible place at the site of the contract work and shall keep such employment records as are required in the Regulations under the act available for inspection by authorized representatives of the Secretary of Labor.

(h) The foregoing stipulations shall be deemed inoperative if this contract is for a definite amount not in excess of Ten Thousand Dollars (\$10,000).

Section 15. No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

Section 16. In the performance of this contract, Contractor shall use only such unmanufactured articles, materials and supplies as have been mined or produced in the United States and only such manufactured articles, materials and supplies as have been manufactured in the United States substantially all from articles, materials or supplies mined, produced or manufactured, as the case may be, in the United States. The foregoing provisions shall not apply to such articles, materials or supplies of the class or kind to be used, or such articles, materials or supplies from which they are manufactured as are not mined, produced or manufactured, as the case may be, in the United States, in sufficient and reasonably available commercial quantities and of a satisfactory quality, or to such articles, materials or supplies as may be expressly excepted from the provision of this Section 16 by Reserve.

Section 17. All STYRENE to be delivered hereunder shall be subject to inspection and test by Reserve or by its designated agents. Methods of analysis shall be in accordance with those prescribed in Exhibit 'A' attached hereto.

Section 18. Reserve may, at any time and from time to time, by written notice to Contractor given sufficiently in advance to permit compliance therewith, request that Contract Specifications for STYRENE thereafter to be produced hereunder be altered in such manner commercially practicable to Contractor as Reserve shall reasonably specify. Contractor shall make every reasonable effort, but shall not be obligated, to produce STYRENE conforming to any such altered Contract Specifications.

Section 19. In the event Contractor now owns or controls or hereafter acquires any United States Letters Patent during the term of this contract relating to the use of STYRENE in the production of Synthetic Rubber, Contractor agrees not to assert any claim against Reserve or its agents for any act of infringement of Contractor's aforesaid United States Letters Patent by reason of the manufacture, use or sale by Reserve or its agents of Synthetic Rubber made from STYRENE produced during the term of this contract.

Section 20. Contractor warrants that it has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Government the right to terminate this contract, or in its discretion, to deduct from payments due Contractor the amount of such commission, percentage, brokerage or contingent fee. This warranty shall not apply to commissions payable by Contractor upon contracts of sale secured or made through bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

Section 21. This contract shall automatically terminate upon the cancellation or termination of the Lease Contract.

In addition, Reserve shall have the right to cancel this contract at any time prior to receipt of notice from Contractor that the first unit of the Plant is ready for operation, as provided in Section 2 hereof, upon giving to Contractor ten (10) days' written notice of such cancellation, and Reserve shall have the further right to cancel this contract during that period of the term hereof subsequent to the receipt of said notice upon not less than ninety (90) days' written notice to Contractor. At the expiration or prior termination of this contract, Reserve shall pay to Contractor all 'costs,' as defined herein, not already paid to Contractor by Reserve, including all costs, expenses and losses sustained or incurred by Contractor in anticipation of the performance of this contract not reimbursable under the Lease Contract, or otherwise,

and any loss sustained by Contractor on all such obligations, commitments and claims as Contractor may have undertaken or incurred in connection therewith prior to such cancellation, and, in addition, Reserve shall pay to Contractor that proportionate part of the overhead and management charge, as defined in Section 5 hereof, which remains unpaid. In the event Contractor has on hand any materials in a raw or unfinished state of processing at the time of the expiration or prior cancellation of this contract, Reserve at its option shall have the right to require Contractor at Reserve's expense to complete such processing in so far as is practicable in order that the maximum value of such materials may be realized by Reserve.

Section 22. The failure of either party hereto to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this contract, shall not be construed as a waiver or a relinquishment of the future performance of any such term, covenant or condition of the other party hereto, but the obligation of such other party with respect to such future performance shall continue in full force and effect.

Section 23. Contractor shall not sell, assign, or pledge its interests under this contract, nor any of its rights, powers, privileges, duties or obligations hereunder, without the prior written consent of Reserve. Reserve may assign its interest under this contract to any other branch of the Government, and upon such assignment such other branch of the Government shall acquire all the rights, powers, and privileges of Reserve hereunder and shall be bound by all the duties and obligations of Reserve hereunder, and Reserve shall thereby cease to have any rights, powers, privileges, duties or obligations hereunder; it being expressly understood that any such assignment by Reserve of its interest in this contract to any other branch of the Government shall be subject to all the rights, powers and privileges of Contractor hereunder and shall be conditioned upon such assignee's assuming all duties and obligations of Reserve hereunder.

Section 24. In the performance of this contract, Contractor shall comply with and give all stipulations and representations required by any applicable Federal, state, municipal or local law, and any applicable rules, orders, regulations or requirements of any governmental department or bureau, but nothing herein contained shall be construed as preventing Contractor from contesting in good faith the validity of any such law, rule, order, regulation or requirement, or in contesting in good faith any charge that Contractor has not complied therewith.

Section 25. If the performance of this contract is interrupted or prevented by reason of labor shortage or labor disputes, from whatever cause arising, and whether or not the demands of employees of Contractor shall be reasonable and within Contractor's power to concede, or if the performance of this contract is interrupted or prevented by reason of acts of God, acts or requirements of the Government, war, flood, fire, explosion, accident, sabotage, inability to obtain fuel, power, essential materials, or any cause beyond Contractor's reasonable control, whether of a similar or dissimilar nature, Contractor shall be excused from the performance of this contract while or to the extent that Contractor is prevented from so performing by one or more of such causes and the performance of this contract shall be continued as soon as practicable after such disability is removed.

Section 26. The term of this contract shall be for a period commencing with the date hereof and ending five (5) years after completion of the Plant and all the units of the Plant are ready for operation, as provided in Paragraph EIGHT of the Lease Contract.

Section 27. In the employment of workers for the performance of this contract, Contractor shall not discriminate against any worker because of race, creed, color, or national origin.

Section 28. All notices of every nature to be given to Reserve, pursuant to this contract shall be in writing addressed to 'Rubber Reserve Company, 811 Vermont Avenue, N. W., Washington, D. C.,' and all such notices to be given to Contractor, pursuant to this contract, shall be in writing addressed to 'The Dow Chemical Company, Midland, Michigan,' unless otherwise directed in advance by either party.

Section 29. This contract shall be construed according to the laws of the State of Michigan.

IN WITNESS WHEREOF, Rubber Reserve Company and The Dow Chemical Company have caused this contract to be executed by their respective officers, duly authorized thereto, and their respective corporate seals to be hereunto affixed, duly attested by their respective officers, as of the day and year first above written.

ATTEST:

RUBBER RESERVE COMPANY

Secretary

By _____

President

ATTEST:

THE DOW CHEMICAL COMPANY

By _____"

Exhibit "A" referred to in the foregoing form of Agreement is attached to and a part of the copies of such Agreement to be executed, one of such executed copies to be retained in the files of this Company.

The Executive Committee authorized Mr. Klossner, or a Vice President, to execute on behalf of this Company an Agreement in the following form between Rubber Reserve Company and The Dow Chemical Company, and authorized the Secretary, or Assistant Secretary, to affix the seal thereto and attest the same.

"THIS CONTRACT, made and entered into this _____ day of _____, 1942, by and between RUBBER RESERVE COMPANY (hereinafter called 'Reserve'), a corporation created by Reconstruction Finance Corporation pursuant to Section 5d of the Reconstruction Finance Corporation Act, as amended (said Section being hereinafter called 'Section 5d'), and having an office for the transaction of business in Washington, D. C., party of the first part, and THE DOW CHEMICAL COMPANY (hereinafter called 'Contractor'), a corporation organized and doing business under the laws of the State of Michigan, qualified to do business within the State of Indiana, and having an office at Midland, Michigan, party of the second part;

W I T N E S S E T H:

WHEREAS, in order to aid the Government of the United States (hereinafter sometimes called the 'Government') in its National Defense Program, Reconstruction Finance Corporation is authorized by Section 5d to create corporations with certain enumerated powers including the power to produce strategic and critical materials as defined by the President; and

WHEREAS, by his letter addressed to the Federal Loan Administrator, dated June 28, 1940, the President has defined as